

Michael Saunders & Company

LICENSED REAL ESTATE BROKERS

Commercial Property Management

Market Trends – 4th Quarter 2010

In our region, the commercial real estate market experienced increased activity in 2010, mainly in the office and retail sectors. Our market was also strengthened by three significant local, regional and national initiatives achieved in 2010:

- Sarasota County Tax Abatement for capital expenditures by businesses;
- The sound defeat of Amendment 4; and,
- The continuation of the current tax structure.

Most recently, both Sarasota and Manatee Counties approved a 50% reduction in road impact fees.

These positive steps should increase confidence in the business community and encourage growth in the commercial real estate market.

→ Increased activity in the office and retail sectors began in early 2010 and, by year's end, industrial leasing activity began a slow upward trend.

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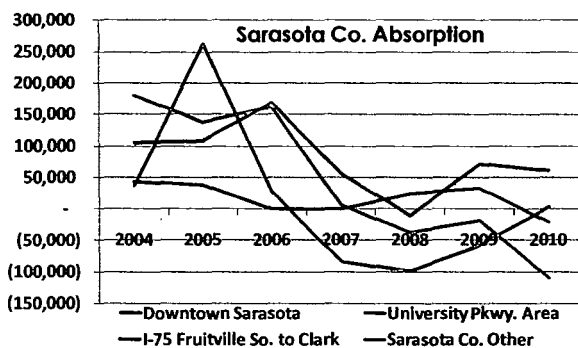
As shown below, the office market in Sarasota and Manatee Counties saw improvement in the downtown areas and in the University Parkway area in Sarasota County. The predominant trend was small spaces and short-term leases.

Downtown Sarasota and Main Street at Lakewood Ranch enjoyed increased retail absorption in 2010. The area experienced the loss of several "big box" tenants but gained some new anchor tenants and the expansion of others.

The industrial market began to see increased activity in leasing albeit at extremely low lease rates. The upside is that this activity covers small, flex-type space as well as larger spaces for light manufacturing and industrial uses.

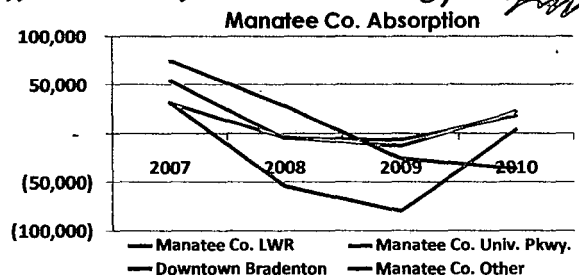
In 2010, Michael Saunders Commercial Division successfully leased 373,750 SF resulting in \$9,587,000 in income for our clients. The strength of the Commercial Division combined with the professionalism of the Commercial Property Management Division can make your commercial assets profitable and successful.

December 2010



Vacancy Rates	Total SF	Vacant SF	Percent
Downtown Sarasota	2,474,747	337,139	13.62%
University Pkwy. Area	1,378,165	186,471	13.53%
I-75 Fruitville So. to Clark	1,814,530	498,680	27.48%
Sarasota Co. Other	409,532	122,546	29.92%
Total Sarasota Co.	6,076,974	1,144,836	18.84%

Pratt in Spots to Clark Pkwy or Main St



Vacancy Rates	Total SF	Vacant SF	Percent
Manatee Co. LWR	1,079,107	120,149	11.13%
Manatee Co. Univ. Pky.	268,695	59,413	22.11%
Downtown Bradenton	876,221	283,769	32.39%
Manatee Co. Other	1,492,644	343,784	23.03%
Total Manatee Co.	3,716,667	807,115	21.72%

Source: Economic Development Corporation of Sarasota County

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Commercial Property Management

The Smith Report

Who is Bob Smith? A 40-year veteran in commercial property management and Michael Saunders' Senior Property Manager. He manages small office, retail, and industrial properties as vigorously as he does Class A buildings and large retail centers. His expertise, knowledge and commitment to our clients is visible every day to Tenants and Owners of property under his management. Bob Smith and the Michael Saunders Commercial Division will bring your property to its full capacity. We are pleased to share our most recent successes



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Board of Management and Michael Saunders' Commercial Division



100% Occupancy

Industrial owners have experienced prolonged frustration with empty buildings and no prospects in the market. Consistent, comprehensive management of this industrial property kept it attractive and in good condition - an important attribute in a market flooded with inventory. When activity in the industrial sector began to increase, this 20,650 SF complex was leased and its Owners now enjoy a fully occupied commercial asset. The Commercial Division's brokerage and management efforts resulted in a success for our client. Consistent management and positive interaction with the Tenants will ensure tenant retention for the owner.

New Management Contract

We are pleased to announce that we were just awarded the contract to provide management services for the prestigious Photo Tech building on Fruitville Road. The reputation and achievements of one of the Commercial Division's agents were recognized by the owner of this premier office building resulting in an Exclusive Marketing and Management agreement.



Customer Service = Customer Satisfaction

Thieves struck the Tires Plus plaza on University ripping out the main electrical feed to the transformer for that building. Within 36 hours, Bob Smith and his team successfully coordinated efforts with utility and County personnel, completed the repair and the business was back in full operation. The commitment to our clients is unparalleled; our knowledge and experience is invaluable.

Now is a great time to review the effectiveness of your management program.
CALL TODAY - we will customize a program specific to your property that will enhance the value of your asset while increasing tenant retention and reducing vacancy rates.
OUR MOTIVATION IS YOUR SUCCESS!

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